



Finance Report

Month 6 Sept 2023

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Contents

• Financial Position- Outlook	Page 3
• Financial Position as at Month 6 Sept 2023	Page 4
• Year To Date Income & expenditure Report for Month 6 Sept 2023 - Table 1	Page 5
• Year To Date Summary of Financial position per directorate for Month 6 Sept 2023- Table 2	Page 6
• Directorate Narratives	Page 7-19
• Analysis of On and Off Contract Agency and Critical Shift Payments Month 6 Sept 2023- Table 3	Page 20
• Statutory Financial Performance Targets (RAG Status) - Manage within allocated Revenue Resource Limit (RRL) / Achieve financial break-even - Manage within allocated Capital Resource Limit (CRL)	Page 21
• Other Financial Performance Targets (RAG Status) - Achieve in year savings targets - Prompt Payment Target - 95% of suppliers within 30 days - Manage Non- RRL Income	Page 22-23
• Analysis of Flexible Payroll Costs Month 6 Sept 2023- Table 4	Page 24
• Top 5 Areas of Non Pay Spend Analysis Month 6 Sept 2023- Table 5	Page 25
• Top 6 Areas of Payroll Spend Analysis Month 6 Sept 2023- Table 6	Page 26

Financial Position – Outlook at Month 6

1. A financial plan was submitted to SPPG at the end of June. After consideration SPPG provided confirmation of further funding. A review of the savings plan was approved at Trust Board and SLT in June and at the subsequent workshop with SLT along with a review of the forecast Covid spend. As a result of these discussions we were anticipating a revised year-end deficit of **£24.64m**.
2. Further to that the Trust received confirmation of an additional £1.76m for Covid PPE, reducing year end deficit to **£22.8m**. This deficit includes the Trust unfunded inescapable pressures.
3. Following Mth 5 outturn reported position the Trust notified to SPPG an increase in deficit on the 25th of Sept of £6.8m to include DHH £3m, International Doctors Recruitment £.08m, Restructuring of Acute Directorate £1m, Price rises in Regional Contracts £2m. Total increase in deficit is £6.8m. Revised Financial Forecast deficit position as at the 25th Sept is **£29.68m**. It is imperative that budget holders understand it is their responsibility to stay within their allocated budgets and avoid any overspend. Budget holders should not be spending at risk outside of budget control areas as this will increase the spending deficit.
4. Of the £29.68 m deficit, in addition to the increased areas of pressure noted above, the remainder relates to a deficit of £4m for Covid spend, projected savings targets of £8.7m that cannot be achieved without potentially requiring high impact measures with the balance relating to underlying deficits of which the most significant are unfunded NMS Key Target areas 6-10 of £2.3m, Winter Pressures of £1.1m, IFRS16 retraction of £1.3m and balances relating to Uncommissioned beds. On 18 October SPPG has confirmed that an additional £10m will be allocated to overall budget to help reduce deficit to **£19.68m., SLT will determine where best allocate this additional £10m to reduce deficit.**
5. In addition to this deficit the Trust has been set a challenging savings target of **£26.3m** for 23/24. The Trust has identified savings of £17.6m which are considered achievable via low/ medium impact measures. However, there is a significant underachievement on this target to date. It is recommended that directors as budget holders ensure that spending controls are in place to achieve savings targets. SHSCT is not on target to achieve £17.6m savings low/medium savings and budget holders should address and work to achieve targets and if these savings are not achieved there is a considerable risk of deficit increasing. **Directors to urgently address achievement of targets.**
6. Financial targets are being monitored and reported to the Trust Delivery Value Programme Board each month. Finance focus meetings have now commenced with each Directorate to review achievement of savings targets and overall financial position of the Directorate and will continue on a monthly basis. On Friday 4th of August all budget holders received their Opening Budget Allocations and Directorate share of their savings targets for the year. Its imperative that budget holders understand it is their responsibility to stay within their allocated budgets and avoid any overspend. Budget training will be rolled out within this financial year. Monthly finance reports will be presented to SLT and Trust Board and will be closely monitored by the Finance Department.

Financial Position as at Month 06

1. This report presents the Trust's financial position for the period ended 30 September 2023, being Month 6 of the financial year 2023/24.
2. A net income and expenditure deficit (overspend) of £14.213m is reported for the period September 2023 Month 6- see table 1
3. This outturn position has been established measuring actual expenditure to date against RRL confirmations received from SPPG/PHA and indicative allocations informed by SPPG.
4. The cumulative cost of Covid at Month 6 is £5.5m, with £3m of this relating to payroll costs. Finance and HR teams have been working with Directorates to reallocate staff recruited under Covid to core funded vacancies within each Directorate which was due to be completed in full by September. Covid is currently funded for the year at £2.5m for Long Covid, nMabs and Testing only and just recently an additional £1.76m has been allocated by SPPG as a contribution to PPE costs in year. In addition cost associated with the Covid vaccination booster programme in 23/24 is confirmed to be funded- see table 2
5. The deficit and expenditure trends as reported at Month 6 are higher than anticipated at this stage of the financial year
6. Payroll expenditure totals £321m at month 6 and is £13.9m over budget. The expenditure trend from 22/23 continues with the main areas of overspend being Medical and Nursing which have expenditure in excess of budget of £9m and £8.6m respectively. Investment in payroll includes agency, bank, locum, overtime, CSP and additional duty hours. To date these elements have cost £44m. (14% of total payroll spend). In Sept 2023 the Trust employed a total of 1,402 WTE's on these flexible arrangements. The most significant area of flexible spend is Agency (including Medical & Locum Agency) with a wte of 675 at Sept 2023 (48% of total flexible wtes) and a cumulative spend of £30m (68% of spend)- see tables 3 and 4
7. Non-pay expenditure is cumulatively over budget by £2.4m. The main budget line showing increased expenditure is Medical & Surgical Supplies and equipment overspent at £3.5m.

Table 1

	Budget YTD	Actual YTD	Variance YTD	Variance
	£'000	£'000	£'000	%
Income	- 21,837	- 23,952	2,115	-9%
Expenditure				
Pay Costs	307,515	321,430	- 13,915	-4%
Goods & Services	173,615	176,027	- 2,413	-1%
Depreciation	13,116	13,116	-	-
Total	494,245	510,573	- 16,328	-3%
Adj for non cash costs	- 13,116	- 13,116	-	-
Net Expenditure	459,292	473,506	- 14,213	-3%
Revenue Resource Outturn				
Net Expenditure	- 459,292	- 473,506	14,213	-3%
Revenue Resource Limit	459,292	459,292	-	-
NRR (Retraction)/Support				
Surplus/(Deficit) Against RRL	-	- 14,213	14,213	-
Net Surplus/ (Deficit)	- 14,213			

Table 2

Directorate	Income YTD	Income Variance YTD	Pay Spend YTD	Pay Variance YTD	Non Pay Spend YTD	Non Pay Variance YTD	Total Spend YTD	Total Variance YTD
	£'000		£'000		£'000		£'000	
Acute- MUSC	(439)	92	57,959	(9,798)	22,467	(3,662)	79,987	(13,368)
Acute- SCS	(1,050)	(79)	73,500	(2,026)	20,687	(1,222)	93,137	(3,327)
Adult Community Services	(13,640)	1,833	59,405	(2,347)	48,889	(2,974)	94,654	(3,488)
Children & Young People	(262)	36	43,364	(1,198)	14,262	(1,710)	57,364	(2,872)
Mental Health & Disability	(6,180)	334	48,403	(1,613)	47,740	4,204	89,963	2,925
Corporate Services	(2,379)	(102)	35,766	5,490	19,453	4,348	52,840	9,736
Covid	0	0	3,033	(2,423)	2,499	(1,397)	5,532	(3,820)
Total	(23,950)	2,115	321,430	(13,915)	175,997	(2,413)	473,477	(14,213)

	Bud	Act	Var
	£'000s	£'000s	£'000s
Income	(347)	(439)	92
Pay	48,162	57,960	(9,798)
Non Pay	18,835	22,497	(3,662)
Total	66,650	80,018	(13,368)

Of the overall Trust variance deficit position of £14.213m, Medicine and Unscheduled Care's variance equates to 95% of the overall variance and the actual spend of £80m year to date is 17% of the overall Trust spend.

Pay: 70% of overall Trust Pay Variance.

The greatest area of overspend is Medical at £6.8m year to date. Within the total pay spend to date there is a pressure being the usage of agency staff at a cost of £13.4m and this is even after considerable investment in wards to raise to Telfords levels. **This needs urgent review by MUSC.**

Non Pay: 159% of overall Trust Non Pay Variance.

The greatest area of overspend is Medical & Surgical at £2.6m year to date which is arising from increased spend on specialist drugs plus the catheterisation lab.

	Bud	Act	Var
	£'000s	£'000s	£'000s
Income	(1,129)	(1,051)	(79)
Pay	71,474	73,500	(2,026)
Non Pay	19,465	20,687	(1,222)
Total	89,810	93,137	(3,327)

Of the overall Trust variance deficit position of £14.213m, Surgery and Clinical Care's variance equates to 24% of the overall variance and the actual spend of £93m year to date is 20% of the overall Trust spend.

Pay: 15% of overall Trust Pay Variance.

The greatest area of overspend is Nursing & Midwifery at £772k year to date. Within the total pay spend to date there is a pressure being the usage of agency staff at a cost of £4.9m and this is even after considerable investment in wards to raise to Telfords levels.

This needs urgent review by SCS.

Non Pay: 53% of overall Trust Non Pay Variance.

The greatest area of overspend is Labs at £647k year to date which is arising from inflationary uplifts plus the cumulative effect of growth in regional services for blood and link lab over activity.

	Bud	Act	Var
	£'000s	£'000s	£'000s
Income	(11,807)	(13,640)	1,833
Pay	57,058	59,405	(2,347)
Non Pay	45,915	48,889	(2,974)
Total	91,166	94,653	(3,488)

Of the overall Trust variance deficit position of £14.213m, Adult Community Service's variance equates to 25% of the overall variance and the actual spend of £94.7m year to date is 20% of the overall Trust spend.

Income:

Overachievement in income as a result of increased client and 3rd party contribution for Nursing Beds.

Pay: 17% of overall Trust Pay Variance.

Domcare is overspent at £1.38m year to date which is due to commissioned hours increasing. Nursing is overspent by £1.49m year to date of which non acute hospitals is 1.5m overspent and ICT teams overspent by £498k this is offset by underspend in ICS Teams, Specialist Service and GPOOH's of £704k.

Medical £1.16m year to date overspend due to Overspend in £730k in GPOOH and Urgent Care with £348k in Non Acute Hospitals this is offset in underspends in Allied Health Professionals £822k year to date and Administration posts £695k year to date which are due to recruitment issues and delays in backfill for senior management.

Non Pay: 129% of overall Trust Non Pay Variance.

The greatest area of overspend is Residential, Nursing & Dom Care at £2.66m year to date which is due to over activity and over demand.

	Bud	Act	Var
	£'000s	£'000s	£'000s
Income	(226)	(262)	36
Pay	42,165	43,364	(1,198)
Non Pay	12,553	14,262	(1,710)
Total	54,492	57,363	(2,872)

Of the overall Trust variance deficit position of £14.213m, Children and Young People Service's variance equates to 20% of the overall variance. Children and Young People's actual spend of £57m is 12% of the overall Trust spend.

Pay: 9% of overall Trust Pay Variance.

The greatest area of overspend is Social Services at £873k year to date which is due mainly to Children With Disabilities overspend where short breaks units are now operating on a 24/7 basis.

Non Pay: 74% of overall Trust Non Pay Variance.

The greatest area of overspend is Children & Young People at £1m year to date this is due to fluctuation depending on need mainly within foster care £746k. Also, Medical & Surgical overspend at £688k year to date due to pressures in insulin pump and consumable pressures.

	Bud	Act	Var
	£'000s	£'000s	£'000s
Income	(5,846)	(6,180)	334
Pay Costs	46,789	48,402	(1,613)
Goods & Services	51,944	47,740	4,204
Total	92,887	89,962	2,925

Of the overall Trust variance deficit position of £14.213m, Mental Health's variance equates to -21% of the overall variance. Mental Health Directorate's actual spend of £90m is 19% of the overall Trust spend.

Income:

Overachievement in income as a result of increased Client Contributions.

Pay: 12% of overall Trust Pay Variance.

The greatest area of overspend is nursing at £2.6m year to date which is due to the continuation from previous years in terms of Inpatient Services delivering safe staffing and the level of acuity on the Wards for special observations. Medical is overspent by £438k due to additional Medical Training Grades.

Non Pay: -182% of overall Trust Non Pay Variance.

The greatest area of underspend is nursing, residential and domcare at £4.6m of which Mental Health beds in Memory Services is £6.20m and Support and Recovery £0.3m. Disability Services is overspent by £2m in relation to specialist placements for young people transitioning to adult services.

	Bud	Act	Var
	£'000s	£'000s	£'000s
Income	(121)	(148)	27
Pay	8,902	7,272	1,630
Non Pay	13,349	11,590	1,759
Total	22,130	18,714	3,416

Of the overall Trust variance deficit position of £14.213m, Finance, Procurement and Estates' variance equates to -24% of the overall variance. Finance Procurement & Estate's actual spend of £18.7m is 4% of the overall Trust spend.

Pay: -12% of overall Trust Pay Variance.

There are no specific areas of overspend noted. Variance reflects a number of corporate payroll accruals are held corporately within Finance.

Non Pay: -141% of overall Trust Non Pay Variance.

There are no specific areas of overspend noted. Underspend position in the Main is related to minor works savings as per plan.

	Bud	Act	Var
	£'000s	£'000s	£'000s
Income	(34)	(43)	9
Pay	3,173	3,281	(108)
Non Pay	818	996	(178)
Total	3,957	4,234	(277)

Of the overall Trust variance deficit position of £14.213m, Human Resources' variance equates to 2% of the overall variance. Human Resource's actual spend of £4.2m is 1% of the overall Trust spend.

Pay: 1% of overall Trust Pay Variance.

The greatest areas of overspend are £140k within Social Services and £94k within Administration.

Non Pay: 8% of overall Trust Non Pay Variance.

The greatest area of overspend is £138k within General Services due to spend on Advertising.

	Bud	Act	Var
	£'000s	£'000s	£'000s
Income	(581)	(372)	(209)
Pay	4,419	4,200	219
Non Pay	639	1,014	(375)
Total	4,477	4,842	(365)

Of the overall Trust variance deficit position of £14.213m, Performance and Reform's variance equates to 3% of the overall variance. Performance & Reform's actual spend of £4.8m is 1% of the overall Trust spend.

Income:

Under recovery relates to Encompass Income currently being agreed with BSO.

Pay: -2% of overall Trust Pay Variance.

There are no material overspends within Pay.

Non Pay: 16% of overall Trust Non Pay Variance.

The greatest area of overspend is within ICT for Computer Hardware Maintenance and Computer Software (Licences) with an overspend of £291k.

	Bud	Act	Var
	£'000s	£'000s	£'000s
Income	0	0	0
Pay	2,465	2,060	405
Non Pay	60	68	(8)
Total	2,525	2,128	397

Of the overall Trust variance deficit position of £14.213m, Chief Executive's variance equates to -3% of the overall variance. Chief Executive's Office actual spend of £2.1m is 0% of the overall Trust spend.

Pay: -3% of overall Trust Pay Variance.
Position includes non recurrent funding for Urology Inquiry.

Non Pay: 0% of overall Trust Non Pay Variance.
The greatest area of overspend is Training at £11k.

	Bud	Act	Var
	£'000s	£'000s	£'000s
Income	(17)	13	(30)
Pay	1,989	2,264	(275)
Non Pay	50	219	(169)
Total	2,022	2,496	(474)

Of the overall Trust variance deficit position of £14.213m, Medical Directorate's variance equates to 3% of the overall variance. Medical Directorate's actual spend of £2.5m is 1% of the overall Trust spend.

Pay: 2% of overall Trust Pay Variance.

The greatest area of overspend is £129k within Admin Services particularly within Clinical and Social Care Governance.

Non Pay: 7% of overall Trust Non Pay Variance.

The greatest area of overspend is within ICT Services with an overspend of £60k year to date. Also, £33k overspend in Med Governance AHP Diagnostic Imaging and Radiography- Datix System.

	Bud	Act	Var
	£'000s	£'000s	£'000s
Income	(1,728)	(1,829)	101
Pay	16,558	16,687	(129)
Non Pay	5,635	5,461	174
Total	20,465	20,319	146

Of the overall Trust variance deficit position of £14.213m, Nursing, Midwifery and AHP's variance equates to -1% of the overall variance. NMAHP's actual spend of £20.3m is 4% of the overall Trust spend.

Income:

Overachievement in income as a result of increased Canteen Takings.

Pay: 1% of overall Trust Pay Variance.

The greatest area of overspend is Support Services Domestic at £652k year to date. With cleaning at increased levels since Covid, this is now an unfunded pressure in year. Cleaning services are returning to pre-Covid levels where possible. Also the increase in flexible staff over the summer covering summer leave adds to the overspend in M6.

Non Pay: -8% of overall Trust Non Pay Variance.

There are no material areas of overspend at Month 06. Underspend mainly in Hospital overheads cost.

	Bud	Act	Var
	£'000s	£'000s	£'000s
Income	0	0	0
Pay	610	3,033	(2,423)
Non Pay	1,102	2,499	(1,397)
Total	1,712	5,532	(3,820)

Of the overall Trust variance deficit position of £14.213m, Covid's variance equates to 27% of the overall variance. Covid's actual spend of £5.5m is 1% of the overall Trust spend.

- There is £3.5m budget available for Covid Spend- £2.5m for Long Covid, NMabs, Labs and £1m for Vaccinations
- In addition, there is £1.76m PPE budget confirmed however, currently under review following increase in costs in Mth 5 and Mth 6.
- Best estimate year end variance is a deficit of £4.3m

	Bud	Act	Var
	£'000s	£'000s	£'000s
<i>Income</i>			
<i>Pay</i>	3,750	0	3,750
<i>Non Pay</i>	3,250	0	3,250
<i>Total</i>	7,000	0	7,000

A number of allocations are currently corporately held until specific alignment is agreed with commissioners and internally within the Trust. Including funding for Growth, Management Structures and Non Pay Inflation uplifts.

The table below shows the Off and On Contract Agency and Critical Shift payment expenditure over Months 01 April 2023 to Month 6 Sept 2023. As can be noted from the table cumulatively there is not a sufficient downturn in Off Contract Agency and CSP spend to yield savings.

Table 3

Off Contract Agency - v - CSP	Month 1	Month 2	Movement	Month 03	Movement	Month 4	Movement	Month 5	Movement	Month 6	Movement
	Apr-23	May-23	Apr 23 - May 23	Jun-23	May 23 - Jun 23	Jul-23	Jun 23 - Jul 23	Aug-23	Jul 23 - Aug 23	Sep-23	Aug 23 - Sep 23
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Off Contract Agency	2,414	2,007	-407	1,526	-481	556	-970	430	-126	558	128
On Contract Agency	2,507	3,093	586	3,039	-54	3,942	903	4,437	495	3,818	-619
Critical Shift Payment	714	647	-67	659	12	869	210	802	-67	796	-6

* Positive movement is an increase in cost/ Negative movement is a reduction in cost

There is an onus on directors to further **reduce** agency and critical shift payments in the remaining month of the financial year.

It is therefore reiterated that directorates **must** continue to contain costs and avoid service growth or investment without confirmed funding along with reinforcing the need for robust financial discipline across all teams.

The increase in Off contract from Aug-Sept is mainly due to the timing of invoices.

Key:

Red	Significant risk of non-delivery. Additional actions need to be urgently pursued.
Amber	Medium risk of non-delivery requires additional management effort.
Green	Low risk of non-delivery – current management effort should deliver success.

Statutory Financial Performance Targets

RAG status

1. Manage within allocated Revenue Resource Limit (RRL) / Achieve financial break-even

For the 6 months, ending 30th Sept 2023 the Trust is reporting a deficit of £14.2m. This outturn position has been established measuring actual expenditure to date against RRL confirmations received from SPPG/PHA and indicative allocations informed by SPPG. The total annual RRL to date (confirmed RRL and Indicative RRL) is £907.5m.

Reconciliation to Revenue Resource Limit	RRL from SPPG	RRL from PHA	Total Revenue RRL
	£k	£k	£k
TOTAL CLOSING RRL PER LETTER- Aug 23	871,547	7,773	879,320
Total Assumed Ring Fenced Allocations	2,866	-	2,866
Total Assumed Ear Marked Allocations	18,590	838	19,428
NIMDTA			5,906
Total Trust RRL	893,003	8,611	907,520

2. Manage within allocated Capital Resource Limit (CRL)

As at end of Sept 2023 the Capital Resource budget available to the Trust was c£19.185m. Of this funding £13.465m relates to Specific Ring-fenced Schemes and £5.720m to General Capital. The year to date spend at Month 6 is £2.521m.

Summary of Capital Expenditure YTD	CRL Funding/ Allocation	Total CRL Expenditure YTD	CRL Balance Remaining
	£'000	£'000	£'000
Specific Capital	13,465	1,603	11,862
General Capital	5,720	918	4,802
Total Capital Expenditure	19,185	2,521	16,664

For the majority of schemes the spend will not accrue until closer to year-end. It is anticipated at this stage that our CRL will be committed more fully over the remaining months in the financial year and that all will be spent in full by year-end but this is being kept under close scrutiny.

Other Financial Performance Targets

RAG status

3. Progress against achievement of in year savings targets

Key:	
Red	Significant risk of non-delivery. Additional actions need to be urgently pursued.
Amber	Medium risk of non-delivery requires additional management effort.
Green	Low risk of non-delivery – current management effort should deliver success.



Project Categories	Savings Target Full Year													YTD budget retractions mth 6	achieved mth 6- RAG Status
	Corporate											£'000	£'000		
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000				
ACUTE-MUSC	ACUTE-SCS	CYPS	MHD	ACS	NMAHP	Finance	P&R	Med Dir	HR	Various	Total	£'000	£'000		
Containment of discretionary spend	175	225	400	475	675	200	225	50	25	50	-	2,500	- 357	161	
Reduction in estates backlog	-	-	-	-	-	-	1,000	-	-	-	-	1,000	- 500	641	
Other Trust specific items - savings from Invest to Save expenditure	-	-	18	74	111	-	407	5	-	-	-	616	- 308	308	
MORE Pharmacy savings	634	-	-	-	-	-	-	-	-	-	-	634	- 317	317	
Slippage /other non-recurrent measures	99	246	819	459	770	17	55	19	3	10	3	2,500	- 1,250	1,250	
Potential agency savings over recurrent target- Medical	610	210	56	62	59	-	-	-	-	5	-	1,000	- 143	143	
Potential agency savings over recurrent target-Nursing	980	540	14	401	65	-	-	-	-	-	-	2,000	- 286	100	
Managed Slippage	196	234	141	157	185	50	3	13	7	10	5	1,000	- 143	143	
To contribute to the elimination of off contract agency costs to meet DoH target through use of bank or other lower cost backfill	1,806	736	-	735	67	-	-	-	-	-	-	3,343	- 478	478	
Further reductions in off contract agency spend through lower cost backfill to contribute to elimination of off contract agency spend.	634	428	-	424	14	-	-	-	-	-	-	1,500	- 214	70	
Improved absence management	17	28	21	28	25	14	3	1	1	1	-	137	- 20	20	
Standardisation of medical locum rates to reduce locum costs	92	88	18	7	20	-	-	-	-	-	-	225	- 32	32	
Procurement Savings	109	114	48	73	104	72	128	24	7	112	9	800	- 114	114	
Reduction in cost of non-emergency ambulance provision- Trust internal arrangements	100	-	-	-	-	-	-	-	-	-	-	100	- 14	14	
Review of job planning to identify opportunities for increased productivity	20	-	-	-	-	-	-	-	-	-	-	20	- 3	3	
Review of care home and community packages to identify opportunities for reduced provision where appropriate and rationalisation of use of equipment	-	-	-	-	150	-	-	-	-	-	-	150	- 21	21	
Other efficiency and productivity initiatives including OP modernisation/theatre utilisation/LOS reductions/increase in ADOS and day case rates/improved discharge	-	100	-	-	-	-	-	-	-	-	-	100	- 14	14	
Balance of recurrent savings target from SPPG without potential savings plans	3,128	1,738	1,063	-	1,790	413	389	93	14	81	11	8,718	-	-	
Total Savings	8,598	4,685	2,597	2,894	4,035	766	2,210	205	57	269	28	26,343	- 4,214	3,325	

Key	
£8.7 million not yet deducted from budget	
6/12ths deducted from budget at month 6 and equally divided over remaining months- Oct to March	
1/7th deducted from budget at month 6 and equally divided over remaining months- Oct to March	

The Trust prepared a savings plan setting out what realistically can be achieved in-year via low and medium impact measures. This will be a difficult target to attain in-year and is heavily reliant on the achievement of savings from off-contract agency which ceased at the end of August and savings from the new regional agency contract for nursing, with work still progressing on the medical agency contract. **It is essential that savings will be generated in future months.** Of the £26.3 million target £8.7 million is considered to be unachievable without high impact measures. The £8.7m has not been taken out of budget to date. The key above shows the profile of savings removed from budgets to date and profiling for subsequent months.



Other financial performance targets

RAG status

4. Prompt Payment Target - 95% of suppliers within 30 days



Table 7 Prompt Payment Compliance		This Month (Number)	Cumulative to Date (Number)
1	Total bills paid	24,211	167,373
2	Total bills paid within 30 days of receipt of undisputed invoice	22,905	160,407
3	% bills paid within 30 days of receipt of undisputed invoice	94.6%	95.8%
4	Total bills paid within 10 working days	18,936	134,362
5	% bills paid within 10 working days	78.2%	80.3%

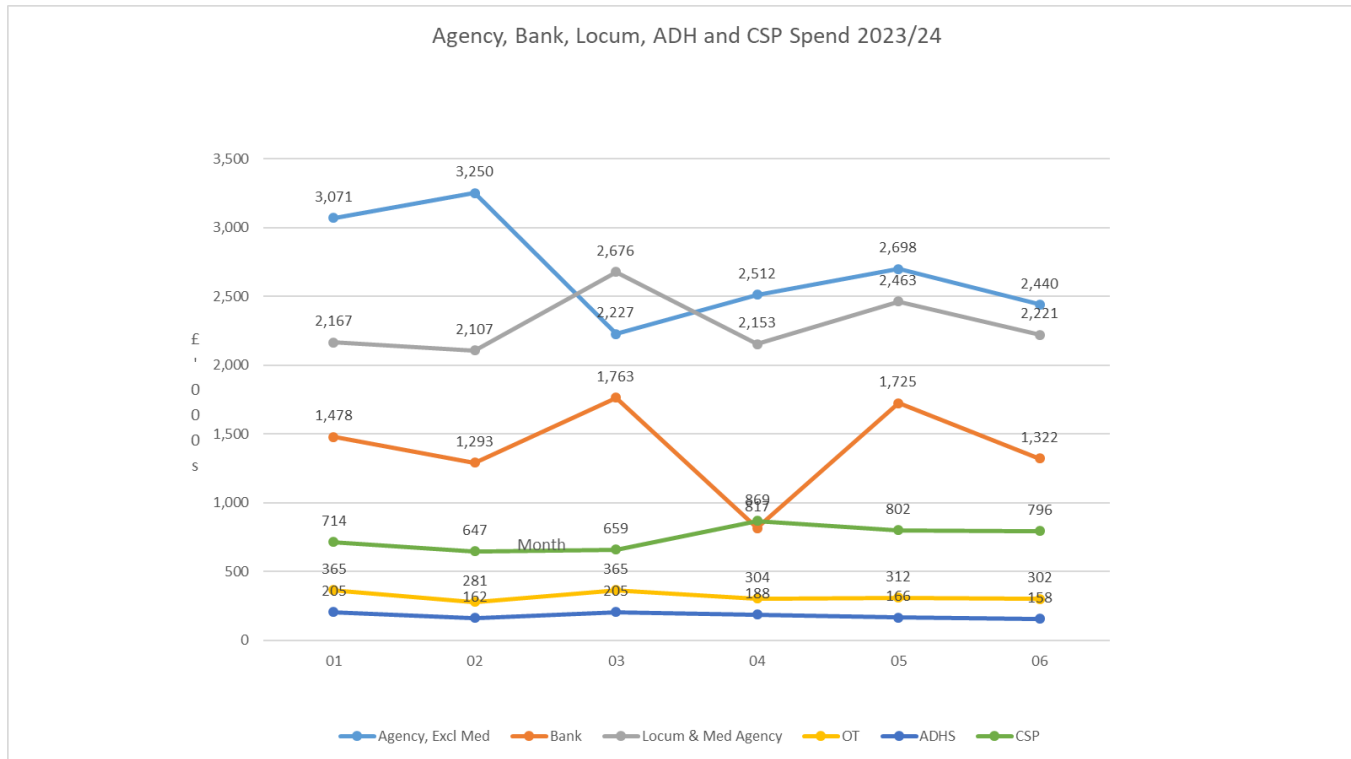
The Trust prompt payment performance in the month of Sept was 94.6% with cumulative position to date of 95.8%. Therefore the Trust did not meet its prompt payment target in Sept due to a backlog in Agency Invoices, it has still met the target of 95% on a cumulative year to date basis.

5. Manage Non- RRL Income



Income from Non-RRL sources now totals £24m. Mainly derived from Client Contributions of £18m, 75% of total Non – RRL. The remainder is restaurant receipts, boarding and lodgings and other misc. income. Cumulatively £2.1 mill overachievement to date.

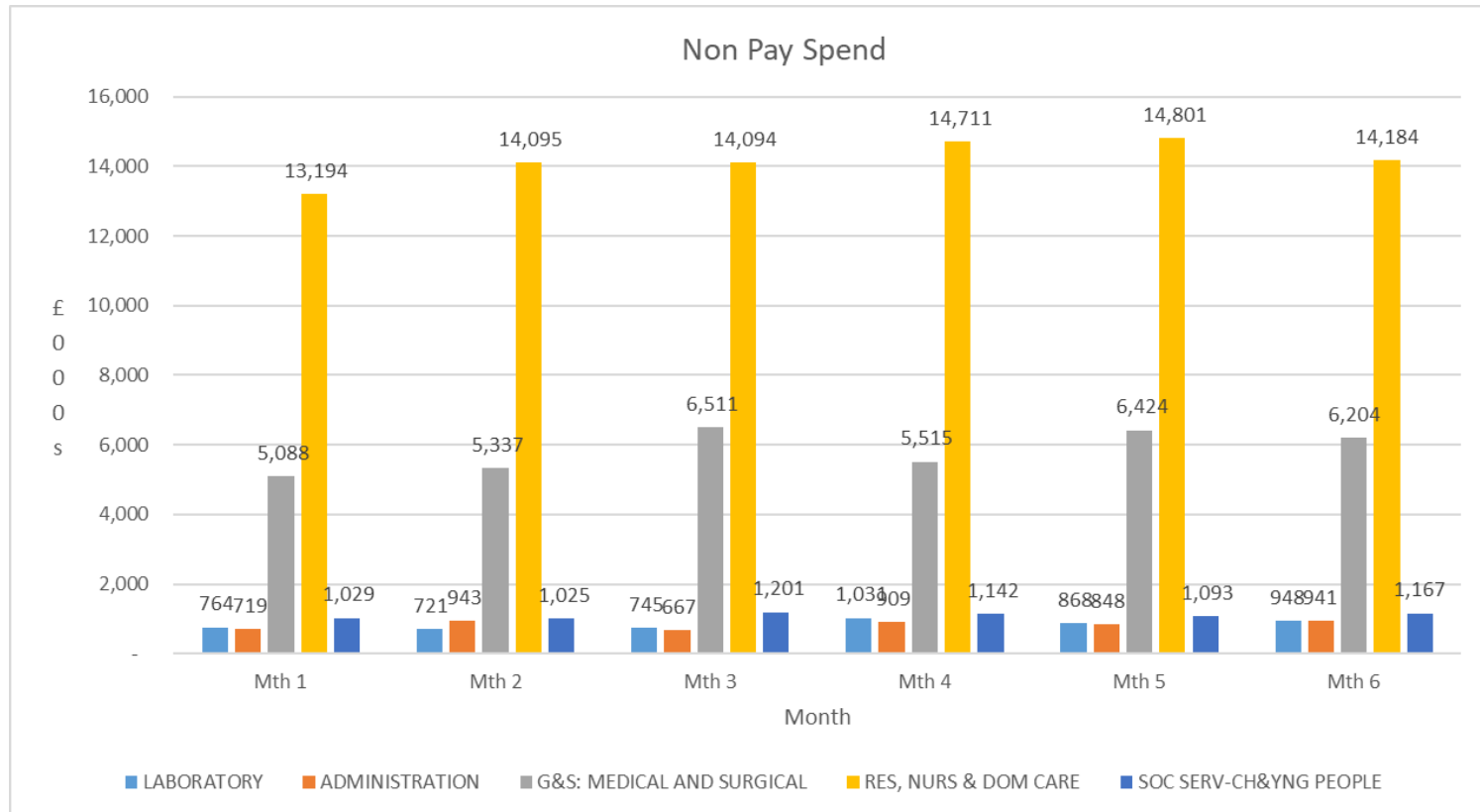
Table 4



The above graph shows the flexible staffing areas spend within the Trust. Total cumulative spend for flexible staffing in Mth 6 is £44m. The main area of spend within the Trust is agency including medical agency and locum which equates to 68% of the overall flexible spend within the Trust.

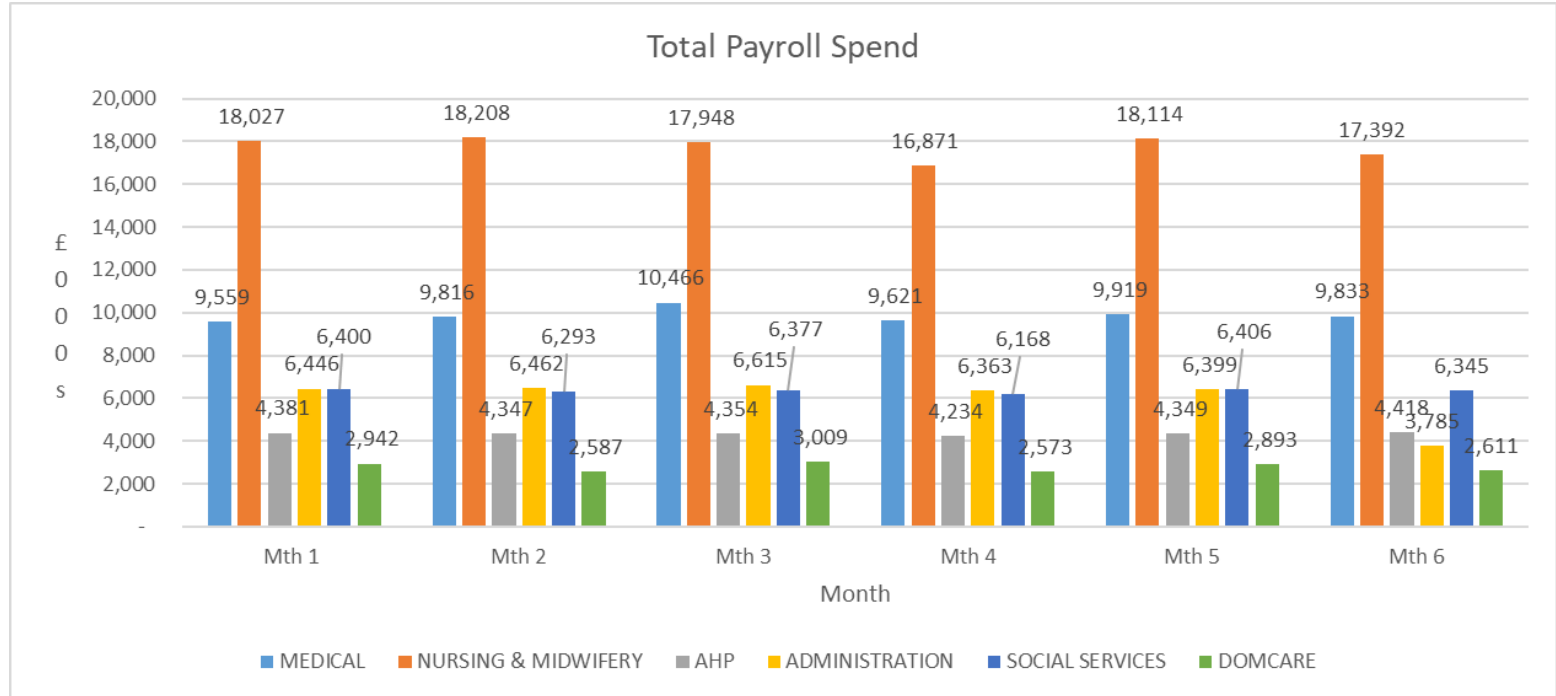
The graph illustrates the trend in flexible payroll costs for a rolling period of 6 months.

Table 5



Total cumulative spend for Non Pay in Mth 6 is £176m. The above shows the top 5 areas of spend within the Trust which equates to Almost 80% of the Trust's monthly non pay can be represented in the 5 categories above – monthly trends in this expenditure have remained relatively stable.

Table 6



Total cumulative spend for Payroll in Mth 6 is £321m. The above shows the 6 main areas of payroll spend with in the Trust, monthly trends in this expenditure have remained relatively stable. Payroll spend is impacted by 4 and 5 weekly months (August was a 5 week month, Sept was a 4 week month)